

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple - Suite 1210  
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JAN 29 2003  
DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/02 To (mo./yr.) 12/02
2. DOGM File Number (Mine No): M/370/006
3. Mine Name: Rim-Columbus Mine
4. Mineral(s) Mined (or permitted to mine): Uranium and Vanadium
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):  
1/4, 1/4, NW 1/4, Section 29, Township 31S, Range 25E  
1/4, 1/4, NW 1/4, Section 30, Township 31S, Range 25E  
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: International Uranium (USA) Corporation
8. Permanent Street Address: 1050 Seventeenth St., Suite 950  
City, State, Zip: Denver, CO 80265  
Phone: (303) 628-7798 Fax: (303) 389-4125
9. Company Representative (or designated operator):  
Name: Terry V. Wetz  
Title: Director of Project Development  
Business Address: 1050 Seventeenth St., Suite 950  
City, State, Zip: Denver, CO 80265  
Phone: (303) 628-7798 Fax: (303) 389-4125  
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? 1998
3. If yes - how much ore or mineral was mined? N/A

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

No new surface disturbance

5. How much **additional acreage** was disturbed during the past year? None

6. How much acreage was **reclaimed** during the past year? See #7 Below

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

See attached letter, dated October 8, 2002, from Operator to Paul Baker, DOGM

Staff, regarding site maintenance and remedial work conducted in 2002.

8. What is the **total disturbed acreage of entire project** at years end? Approx. 12 acre

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Project continues on stanby status. No mining or final reclamation activities

currently planned for the upcoming year.

**NOTE:** Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

**I hereby certify that the foregoing is true and correct.**

Name (Typed or Print):

David C. Frydenlund

Title of Operator:

Vice President & General Counsel

Signature of Operator:

Date:

January 23, 2003



INTERNATIONAL  
URANIUM (USA)  
CORPORATION

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Independence Plaza, Suite 950 • 1050 Seventeenth Street • Denver, CO 80265 • 303 628 7798 (main) • 303 389 4125 (fax)

October 8, 2002

Paul Baker, Senior Reclamation Specialist  
State of Utah, Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

Re: Response to Inspection Report, Rim/Columbus Mine, August 14, 2002

Dear Mr. Baker:

International Uranium (USA) Corporation ("IUSA") received a site Inspection Report from the Division of Oil, Gas and Mining (the "Division") for a site inspection conducted August 14, 2002 at the Rim/Columbus Mine, Permit M/039/006, San Juan County, Utah. In this Inspection Report, a number of site maintenance items were reported by the inspectors. IUSA has recently completed several site cleanup and repair chores at the mine site.

The following items noted in the Inspection Report, as well as several items not specifically noted in the Report, have been addressed:

1. A three-transformer platform was noted to be sagging, with the potential for collapse or failure. The transformers have been removed from the platform and removed from the site. (August 31)
2. The portal and waste dump (the Sunset mine) near the Humbug portal site does not belong to IUSA and is not included under Permit M/037/006. The Division requests that IUSA consider closing this portal the next time reclamation equipment is available at the Rim site. Although IUSA will consider closure of this apparently abandoned portal site, IUSA is concerned about closing this opening if it belongs to some other operator. If IUSA agrees to close this opening at some future date, the Division will be so notified so that agreement can be reached on the limits of IUSA's activities.
3. The Humbug portal has been closed by filling it with the low grade material that was stockpiled on the surface of the waste dump. The Humbug portal is excavated below the surrounding ground surface, and the fill material was placed in a manner to maintain drainage into the portal slot cut. Therefore, no runoff or dispersion of the low grade material will occur. (September 2 - 4)

Paul Baker

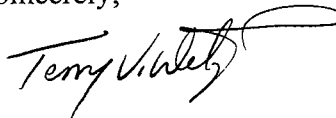
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4. The Humbug waste dump berm had one spot that was breached, allowing runoff from the dump surface to occur. The berm was repaired to direct all runoff from the dump down into the portal slot cut. (September 3)
5. The Columbus portal was previously kept open to provide ventilation to the Rim Mine. This portal was closed by removing the portal gate and timber set and pushing the portal full of dirt obtained from the immediate area of the portal. As noted in the Inspection Report, IUSA's only permitted obligation for the Columbus site is closure of the portal. (September 4)
6. The drainage control structures above the Humbug portal were repaired and modified so that all site runoff is directed to the portal slot cut. (September 6)
7. Two small areas of low grade material in the Rim yard were picked up and buried in the waste dump to prevent dispersion of this material. (August 30)
8. Two old dilapidated buildings in the Rim maintenance area were demolished and the debris was removed. (August 30 - 31)
9. An old change building in the "trailer camp" area to the northwest of the mine yard was demolished and the debris was removed. (September 1)
10. The site of the oil-contaminated soil resulting from the spill of transformer oil in April 2002 was re-aerated. (August 31)
11. Pieces of concrete obtained from site clean-up work were placed at the end of the drainage pipe (to serve as rip-rap) in the mine yard south of the Rim shaft. (September 1)
12. The Rim Mine yard drainage was repaired to minimize erosion and runoff. Berms were re-established and areas were leveled and bladed to provide runoff control. (August 31 & September 6 & 14)

IUSA is presently updating mine site maps for all of the permitted mines in Utah. The Rim Mine site, including the mine portal sites, will be surveyed to provide current site maps and updated information. Surveying of the Rim Mine site is presently scheduled for the middle of October.

Sincerely,



Terry V. Wetz  
Director of Project Development  
International Uranium (USA) Corporation

Paul Baker

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cc: David C. Frydenlund  
Ron F. Hochstein  
Central File - Rim/Columbus Permit